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DEFENSE
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AGENCY

China's Perception of External Threat (U)

November 1984

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to its quest for national security, regional dominance and, ultimately, global power status.

[REDACTED] China is pursuing an independent foreign policy to provide more flexibility in international affairs. Although Beijing views good relations with the US as in its best interests, China's global strategy and domestic political considerations will limit the extent of Chinese support for many US policies and actions in the international arena.

[REDACTED] China believes its conventional and nuclear forces provide a minimal but still credible near-term deterrent to a Soviet attack. China is using this "window" of reduced Soviet threat to develop its economic infrastructure while establishing the foundation for military modernization. Because Beijing views a Soviet attack as unlikely in the near term, it has pursued a policy of self-reliance for military development, seeing little immediate need to make large-scale purchases of end items. Instead, China will attempt to selectively acquire advanced foreign technology for incorporation into its military-industrial infrastructure. In this way, Beijing hopes to avoid dependence on foreign suppliers and to minimize the political leverage that foreign nations would acquire in supporting China's military development.

SUMMARY

(U) Historical experience and the struggle for national unity have instilled in China's founding leaders a heightened sensitivity to threats to sovereignty and unity, and have caused injury to national pride. Consequently, they have shown a preoccupation with external threats to long-term goals. These goals include: domestic modernization and national development, national unification and independence, and increased influence in international affairs.

(U) Since the 1949 founding of present day China, the perceived major external threats have been either the Soviet Union or the United States, or both superpowers in "collusion." The Korean conflict and US intervention in the Taiwan reunification issue directly impinged on China's national security and unification objectives. These events also firmly established the US as China's main enemy. Over time, dissatisfaction with Soviet aid, a principled unwillingness to be subordinate to Moscow, Khrushchev's de-Stalinization process, and Moscow's failure to support China during the 1958 Taiwan Strait crises, led to destructive friction in the Sino-Soviet alliance. Beijing and Moscow grew farther apart during the 1960s, as the PRC's increasingly radical ideology led to further international isolation and Soviet fears of an irrational, expansionist China. During the same period, major US involvement in Vietnam again increased Chinese suspicion of a US long-range goal of encircling and ultimately attacking China. In 1969, Chinese apprehension over Soviet force buildups along the China border led to armed clashes and intensification of counter force deployments by both sides. Beijing began to realize that the USSR was becoming a major threat.

(U) The process of rapprochement with the United States was stimulated by a growing sense of the immediacy of the Soviet military threat and Beijing's judgment as early as 1970 that, while still a threat, the US was in the process of disengaging from Vietnam. Faced with two main enemies, Beijing embarked upon a major military construction program, despite an economy and social structure stagnated and rent by the effects of the Soviet pull-out and the Cultural Revolution. The drawdown in Vietnam placed the US, in China's view, on the defensive in Asia, enabling Beijing to move toward normalization of relations with the US as a possible counterbalance to the USSR. Such a strategic realignment also gained the overtaxed and faltering economy and the obsolescent industrial base a respite from military expansion it could not support. By 1979, the United States and China had established formal diplomatic relations, and Beijing began accelerating an "open door" policy of broader economic and political relations with the West necessary for implementation of ambitious modernization goals. After a brief period of calling for an anti-Soviet front with the West, Beijing again reasserted its independence in the 1980s. This policy redirection stemmed in part from Beijing's lowered regard of the Soviet threat as a result of Moscow's inaction during China's attack on Vietnam in 1979, and an assessment that the Soviets, hard pressed and overextended in Afghanistan, Vietnam, Poland, and elsewhere, were not likely to attack China.

Nevertheless, Beijing remains deeply concerned with the expansion of Soviet power. Beijing views Soviet encirclement efforts as a direct challenge

1. INTRODUCTION

(U) The founding of the People's Republic of China (PRC) in 1949 ended more than a century of foreign aggression in China. To a large extent, Chinese nationalism and the Chinese Communist Party (CCP) began in response to the devastation that foreign encroachment and associated warlordism had dealt Chinese society. This historical experience of national humiliation has shaped Chinese leaders' perceptions of security before and since 1949, giving them a heightened sensitivity to threats to Chinese sovereignty and national pride. Since the founding of the PRC, Chinese foreign policy consistently has shown a preoccupation with "threats." In addition, as Marxist-Leninists, Chinese leaders view the current world situation as fundamentally unjust and characterized by struggles between competing forces. China's world view accepts conflict and contradiction as the natural state of international affairs and generally considers only the United States and the Soviet Union as potential, major security threats. Threats from other powers, such as the Kuomintang on Taiwan, Vietnam, or the Republic of Korea, would require, in the eyes of Beijing, superpower participation.

■ While the Chinese leaders' underlying sensitivity to military and political external threats has remained constant, their perceptions of which actors cause international conflict and where immediate threats to Chinese interests lie have changed since 1949. Chinese foreign policy has been modified in response to these threat perceptions and to domestic considerations. An important but often misunderstood characteristic of Chinese policy is the seemingly contradictory mixture of adherence to principles while retaining flexibility in action, a dichotomy often evident in the difference between Chinese public pronouncements on foreign policy matters and actual deeds. Mao Zedong expressed this in 1949: "We should be firm in principle; we should also have all flexibility permissible and necessary for carrying out our principles."

2. GLOBAL STRATEGY

(U) China's global strategy combines elements of intense nationalism--based in large measure on experience with foreign aggression--with ideology, traditional Chinese thought, and its status as a nascent world power. China seeks to become the dominant power in Asia and, ultimately, a credible, if not equal, international competitor with the US and the Soviet Union. China now lacks the economic and military elements of national power to exert major influence in international arenas. Instead, China relies heavily on a dynamic foreign policy and diplomacy to safeguard and further national interests vis-a-vis the superpowers.

■ Since 1981, Beijing's foreign policy has been significantly adjusted to downplay the visibility, if not the importance, of the China-US relationship and to portray China as an independent power equal to the US and Soviet Union. Any perception that China is subservient to or dependent on a foreign nation is anathematic to China's leadership and considered a threat. Beijing's distancing from the US stems from its uncertainty over US respect for Chinese sovereignty and the long-term reliability of the US contribution to China's security; difficulties over Taiwan and technology transfer are symptomatic and crucial. Chinese fears that the US will use China for short-term gain over

Moscow are factored into Beijing's calculus for initiating talks to ease tensions with the Soviet Union. Still, Beijing views the US as the only military power able to directly confront the Soviets. Beijing seeks to maintain a key role with respect to both superpowers in order to balance one against the other to its advantage. Beijing will, however, continue to regard the Soviet Union as its greatest threat for the foreseeable future and will remain committed to its affiliations with the West for security and modernization needs.

In order to secure a position as an international power, China is strongly pursuing a Third World strategy designed to establish credibility as an independent international player which, teamed with developing nations, collectively can influence the superpowers. Although it does not publicly claim to be seeking leadership of the Third World, China envisions a preeminent role for itself as spokesman on certain Third World issues. In reality, China has little in common politically with most Third World nations and does not seek to be regarded as anything less than a major power. Nevertheless, Beijing's concern over its Third World image will remain genuine throughout the coming decade.

China and the Soviet Union share a mutual desire to relax tensions, but there is no indication that either side has changed fundamental perceptions of the other or long-term goals. Beijing sees the Soviets as following both a regional containment strategy employing military pressures and alliances designed to weaken China, and an international strategy designed to keep China's prestige and influence minimal. Beijing's agreement to participate in "consultations" with Moscow and to permit a widening of bilateral contacts in selected areas is consistent with its espousal of a more independent line toward the two superpowers. This new approach is designed to demonstrate Beijing's ability to deal with the Soviets from a position of equality, deny Moscow the propaganda advantage of contrasting China's intransigence with Soviet "overtures," and confront the US with the threat of a Sino-Soviet rapprochement.

Any movement toward Sino-Soviet normalization is expected to be very slow with step-by-step improvements contingent on reciprocal concessions from each side. A limited, mutual troop withdrawal along their common border and in Mongolia is a possibility but not likely in the near term. Soviet willingness to consider other Chinese conditions—Vietnam's withdrawal from Kampuchea and the Soviet's withdrawal from Afghanistan—has not been evident. Some improvements in other bilateral relations have already been noted, and progress in economic and cultural relations will probably continue as low-cost, politically visible means of easing tensions.

The Chinese evaluate the Soviet threat to China in the context of a long-term strategy by Moscow aimed at achieving global hegemony. Thus, China's leaders conclude that the Soviet Union is not likely to invade China in the foreseeable future but is attempting to encircle China as part of its effort to "win without a fight." A Beijing Review commentary in 1981 stated that "an armed attack against China, including a nuclear attack, would not prove useful but would bog the Soviet Union down in a strategically embarrassing position. Therefore, the Soviet Union has adopted a policy of encircling and isolating China ..." Even accepting that Soviet troops could succeed in occupying large areas of Chinese territory, Beijing believes that continuous resistance from

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the Chinese people would drag the Soviets into a costly and protracted war. Beijing also seems to rule out the possibility of a nuclear attack by the Soviets. In a recent study by the Beijing Institute for International Strategic Studies, the Chinese asserted that the Soviet Union would not launch a nuclear attack because it could not destroy all of China's nuclear weapons in a first strike and would therefore face a nuclear counterattack.

(U) Chinese leaders, moreover, believe that Moscow's invasion of Afghanistan exposed some hidden Soviet vulnerabilities. Beijing perceives the Soviet Union as overextended and burdened with heavy military and economic commitments in Eastern Europe, Cuba, Vietnam, Afghanistan, and other parts of the world. Moscow's global expansion seriously impedes its plans to revive a faltering economy. Furthermore, as viewed from Beijing, Moscow is also troubled by internal ethnic instability and increasing resentment among their East European allies, demonstrated by the unrest and crisis in Poland. This perception of inherent Soviet weakness apparently has convinced some Chinese leaders that Moscow might not be in a position to launch any attack against China for some time to come. This calculation of Soviet limitations was reinforced 1 year after the Afghan invasion when it became clear that the Soviets were not able to win a quick and decisive victory against poorly armed local guerrillas despite their superior military weapons and much better equipped armies. The PRC hailed the situation in Afghanistan as a classical People's War: resisting outside aggressors with guerrilla units armed with patriotism and skillful guerrilla tactics most suitable to special local conditions.

[REDACTED] In Southeast Asia, Beijing seeks to neutralize Soviet encirclement efforts by bringing diplomatic and military pressures to force cessation of Soviet support for Vietnamese expansionism. China views Vietnam as a direct military threat, especially as a Soviet surrogate, and as a strong competitor in the quest for regional influence. Beijing remains concerned over the increased Vietnamese military threat both to itself and in the Thai-Kampuchea border area. Soviet activity at Cam Ranh Bay is a major concern. Relations between Beijing and Hanoi remain hostile with continued artillery shelling and small-unit incursions. China's improved relations with members of the Association of Southeast Asian Nations (ASEAN) is part of the strategic goal of strengthening political and economic development in the region to discourage Soviet inroads and gaining political support for China while denying it to Vietnam. China has agreed to aid Thailand if it is attacked by Vietnamese forces and has done so indirectly by orchestrating shelling and small-unit action along Vietnam's northern border whenever Thailand is threatened. China is disavowing support for insurgencies and seeks full normalization of relations with Singapore and Indonesia. Although possessing enormous potential in terms of resources and manpower, China still lags behind many of its smaller, more rapidly modernizing neighbors. Southeast Asian nations are unlikely to look to Beijing for leadership for the foreseeable future. In fact, many of these nations see China as a more important threat than either the USSR or Vietnam over the long term.

[REDACTED] In South Asia, China has sought to reduce Sino-Indian hostility in order to lessen New Delhi's need for reliance on Moscow. In Beijing's view, India is a key to containing Soviet expansionism. Beijing, however, is aware of its extremely limited ability to entice the Indians to reevaluate their Soviet connection. Pakistan has been China's largest long-term non-Communist

arms client. Sino-Pakistani relations continue to be Islamabad's single most important foreign policy partnership. China has actively encouraged the US to work out a satisfactory arms agreement with Pakistan to maintain a military balance between India and Pakistan and to bolster its image as a regional powerbroker. China's ultimate fear is a Soviet push to the sea in Southwest Asia, which would compromise both China's and Europe's geopolitical flanks. This threat governs Beijing's diplomatic strategies in the area, accounts for the Pakistan relationship, and complicates Sino-Indian relations.

In late 1981, Beijing embarked on a campaign to strengthen relations with Pyongyang by increasing military and political support. Beijing's actions appeared to result in a significantly strengthened Sino-North Korean alignment. However, since the Rangoon bombing incident and North Korea's tripartite reunification talks proposal, it appears that Beijing's influence over Pyongyang may be less than previously perceived by both China and the US. Beijing realizes the potential for military conflict on the peninsula and, therefore, despite public statements to the contrary, views the presence of US assets on the peninsula as a stabilizing factor. The Chinese almost certainly are cautioning Pyongyang against initiating military action against South Korea.

Since China and Japan established diplomatic relations in 1972, economic issues and shared concerns over Soviet military actions in Northeast Asia have provided the basis for generally good relations. Traditional Chinese hostility toward Japan's military growth and Tokyo's security agreement with the US softened in the mid-1970s as Beijing sought to counter Soviet "hegemony." China now favors a limited budgetary increase for Japan's Self-Defense Forces as both a political and military statement of resistance to Soviet actions in the Far East. Following the 1978 Sino-Japanese Treaty of Peace and Friendship, bilateral relations have had a positive effect on regional stability and China's national modernization programs. In recent months, Sino-Japanese relations have improved, and there are indications of a possible security relationship developing. Japan's considerable trade with Beijing and its importance to China's overall modernization effort are pivotal to the relationship.

China is attempting to encourage the independent tendencies of some Eastern European countries currently under Moscow's domination. Besides trade relations with many European nations, China's main activity has been the renewal of party-to-party ties with Communist parties in Eastern and Western Europe. During his June 1984 trip to Western Europe, Premier Zhao Ziyang pushed for expanded economic ties and reductions in COCOM restrictions on high technology imports. Hu Yaobang stressed the themes of independence and equality between parties during his tour of Romania and Yugoslavia in 1983. Chinese officials have also visited countries with which relations were previously strained such as Hungary, Poland, and East Germany. In addition to offering Eastern Europe some encouragement toward independent initiatives, at least in trade, Beijing probably hopes to further Soviet concerns in the area and cause Moscow to expend time in counterpolitical activity.

China and the Soviet Union continue to compete for influence in Africa. Zhao Ziyang visited 11 African nations during December 1982-January 1983. Zhao's emphasis was on promoting Third World (South to South) cooperation for economic independence. Beijing seeks stability in Africa,

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supports a negotiating settlement in Namibia and majority rule in South Africa, and wants the region free of pressure from the Soviets and their surrogates. Beijing views any Soviet threat from Africa as indirect in terms of China. Nevertheless, Beijing wants to manage African relations to preclude Soviet expansion.

(U) A significant number of Latin American countries (almost half) continue to officially recognize Taipei rather than Beijing, a continued threat to Beijing's sovereignty. Although Latin America has not figured prominently in China's foreign relations in recent years, the many "trouble spots" in the area are regarded as arenas of superpower competition. In these cases, such as with the Falklands and Central America, Beijing has called continually for political solutions to be reached without any foreign interference.

[REDACTED] In line with Beijing's policy of encouraging Third World unity in the face of foreign intervention, China urges Arab nations to unite in order to resolve conflicts in the Middle East. Chinese statements support the Palestinian cause as "just" and deplore Israeli expansionism. [REDACTED]

[REDACTED] Neither Iran nor Iraq is particularly favored in their war; instead, Beijing suggests negotiations. China has provided military support to both sides in the Iran-Iraq war. [REDACTED]

China worked both sides of the conflict because it did not wish to see Iran so weakened that it would fall prey to internal turmoil precipitating Soviet intervention, nor Iraq so weakened by war that it would be open to Iranian-sponsored Islamic revolutionary fundamentalism or Soviet influence and presence. Aside from the acquisition of foreign exchange, China's key concern is to prevent the disruption of oil transport through the Persian Gulf. This could upset the Middle East as a whole, intolerably pressure NATO and Japan, and lead to a US-USSR conflict into which China could be drawn. Short of war, Soviet influence over the flow of oil to the West would have a profound effect politically, which would impact heavily on China's own security and economic objectives.

3. DEFENSE SPENDING

[REDACTED] Analysis of Chinese budgetary announcements indicates that China's leadership is committed to developing the national economy before undertaking an extensive upgrading of defense capabilities. Although the economy is showing impressive growth, the announced relative share of the annual state budget allocated to national defense has declined over the last few years, and these allocations have been at a plateau in absolute terms. This assessment is unaffected by the consideration that announced budget allocations to national defense are approximately half of the actual total allocations to the military.

[REDACTED] If the Chinese leadership continues to impose its budgetary constraints as outlined in the Sixth Five-Year Plan (1981-85), allocations to the national defense category will be only slightly above the 1983 level in 1984 and 1985. It appears that these constraints will continue to be applied principally to combined spending for military procurement, wages of military personnel, and equipment operations and maintenance. Spending for military research, development, testing, and evaluation (RDT&E), construction, and fringe benefits for personnel is probably contained in other portions of the

state budget. There are indications that the allocation for RDT&E has been increased, which would facilitate future development of advanced weapon systems.

Table 1

Announced Chinese Defense Spending, 1977-83 (U)
(billions of yuan*)

<u>Year</u>	<u>Announced Defense Expenditures</u>	<u>Percentage of National Budget</u>
1977	14.9	17.7
1978	16.8	15.1
1979	22.3	17.5
1980	19.4	16.0
1981	16.8	15.1
1982	17.6	15.3
1983	17.7	13.7

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*One yuan equals approximately US \$.51.

e. Naval Forces

(U) China's shift toward a forward defense strategy is also evident in its Navy. The objectives of this strategy gained ascendancy only after the most recent rehabilitation to power by Deng Xiaoping and his supporters. They are squarely focused on Soviet activities in Asian waters. China is very sensitive to perceived encirclement by Soviet naval forces and regional allies (notably, Vietnam). Geopolitically, China recognizes the strategic importance of sea lines of communication (SLOC) through the China Seas from Tsushima around to Malacca. China's balance of power concepts emphasize concerted interests, if not action, among nations; Japan's reliance on the SLOCs, and US needs to use them are important to China in this sense. More parochially, China's sovereignty claims in the South China Sea are meaningless without the military capability to make them operative.

5. IMPACT ON US INTERESTS

■ Beijing's concern with the expansion of Soviet power, an assessment that the US is the best counterweight to Soviet aggression, and a view that the US is no longer a direct or immediate military threat, enable China to maintain its affiliations with the West for its security and modernization requirements.

■ China's long-term military modernization requirements and its view that the US and other Western nations are the best sources of requisite technology and equipment, made it possible for China to look favorably upon the US Foreign Military Sales system. However, Beijing will be extremely careful about becoming dependent on the US for its military needs. China will place emphasis on agreements that provide technological knowledge that can be incorporated in its industrial infrastructure. Purchases of selected weaponry or components will probably occur for short-term needs, but less emphasis will be placed on acquiring end items over the long term as China seeks to develop its own production capabilities. Therefore, US military equipment and technology transfers to China will provide only minimal political leverage over Beijing but could be a significant means of establishing increased mutual trust. Although Beijing may take some actions that parallel Washington's, Chinese leaders will continue to criticize US initiatives considered inimical to China's political and security objectives, especially in the Third World.

■ China will continue to use psychological pressure to obtain the most favorable military transfer agreements. Finalizing specific deals will be a tortuous process. Chinese officials will "agree in principle" to military transfers and then use foreign competition combined with expressed financial constraints to force additional concessions. Although Beijing will repeatedly vacillate on bringing arms transfer negotiations to fruition, a similar posture by Washington will be viewed as a US lack of commitment to developing strong bilateral relations. In some cases, China will also enter into negotiations to obtain as much technical information as possible without any intention of completing contracts.

■ The Chinese also will be reluctant to entertain proposals that restrict their freedom of operation or which, in their view, infringe upon their sovereignty. For example, when asked to provide more concrete non-proliferation assurances prior to receiving US nuclear assistance, the Chinese pointed out that West Germany, France, and other countries are eager to sell nuclear powerplants and technology, and Washington's reluctance to conclude an agreement would only hurt US interests.

■ China's extreme sensitivity to issues of sovereignty is manifest in the Taiwan issue, which will remain a key irritant in Sino-US relations. China will scrutinize closely the "quality and quantity" of sales to Taipei for compliance with Beijing's interpretation of the August 1982 Joint Communique. China's leaders do not expect an immediate end to arms sales but do expect an

identifiable decline. Even if this occurs, Beijing will continue to criticize the sales but will not allow them to affect adversely the development of bilateral relations. However, a continuing perception by Beijing that Washington is not living up to the intent of the Joint Communique could cause a retrogression in Sino-US relations. There are increasing signs that Beijing intends to again raise the Taiwan issue to higher visibility in an attempt to measure US intent vis-a-vis Taiwan relations.

6. CONCLUSIONS

■ China will continue to view the Soviet Union and its surrogate, Vietnam, as its primary long-term military threat. Despite efforts to reduce tension with Moscow, Beijing remains deeply concerned about the expansion of Soviet power. Beijing will continue to view Soviet efforts to encircle China with a ring of hostile nations under Moscow's control as a direct challenge to its quest for regional dominance and its global aspirations.

■ Chinese leaders maintain that there will be no substantial improvement in Sino-Soviet relations until Moscow alters policies that threaten Chinese security. Nevertheless, there will continue to be improvements in some aspects of the bilateral relationship including trade and cultural exchanges. Beijing's positive responses to Moscow's overtures are intended to keep Moscow off-balance, maximize political leverage with the Soviet Union and the US, and obtain trade benefits. Improved relations with the Soviet Union are not an alternative to cooperation with the US; the two are elements of a comprehensive Chinese security strategy.

■ Beijing's assesses that a Soviet attack is unlikely in the foreseeable future; moreover, tension reducing actions by both nations diminish the need for immediate large-scale improvements of military capabilities. This posture permits China to pursue a policy of self-reliance for its military development, selectively acquiring advanced foreign technology for direct or indirect incorporation into weapons development programs. At the same time, if Beijing perceives a more immediate Soviet threat the need to modernize the military rapidly would become more acute. In such a case, funds would be allocated to the military for the acquisition and development of more advanced systems. Beijing probably would be willing to enter into some agreements for end items, increasing its own perceived vulnerability to dependency on the supplier. Beijing is stockpiling large amounts of foreign exchange surpluses, partially for such a contingency.

■ China will seek to maintain and strengthen its independent foreign policy line in order to achieve maximum flexibility in international affairs and promote its interests. Although Beijing views good relations with the US as in its best interest, China's global strategy and domestic political considerations will limit the extent of bilateral relations and Chinese support of many US policies and actions in the international political arena. The Middle East and Central America are examples of regions where China is unlikely to publicly support US policies and methods although strategic objectives--blocking Soviet or surrogate dominance--will be shared goals stemming from a generally common threat perception.

[REDACTED] In the future, China will achieve a greater balance between its current policy of self-reliance and the realities of international interdependence. China's efforts to attain its military and economic modernization goals makes greater interaction with, and in some cases dependence on, foreign nations unavoidable. Beijing will, at all times, attempt to maintain the facade of its policy of self-reliance and to control carefully any dependence on others. However, so long as the Soviet Union is considered its major threat, Beijing ultimately must accept a foreign and economic policy imbalance favoring the US and its Western allies.

[REDACTED] China will try to improve its Third World credentials by coordination with other developing nations in the UN and other "nonaligned" forums on trade and debt issues, disarmament, and restructuring international financial institutions as well as the economic order.

(U) China is a unique international political player. Although it is not an advanced industrialized state, it possesses a nuclear weapons capability and a massive military machine. While its ability to influence politics and military balances in Africa or Latin America is negligible, China's foreign and defense policies clearly affect the regions of Asia and Europe. Nearly every Asian state must consider China's military posture. China, for instance, could measurably influence the military balance between India and Pakistan, between North and South Korea, or between Vietnam and its Southeast Asian neighbors. It could threaten the security of Japan and Taiwan. Some countries such as North Korea and Pakistan will continue to seek Chinese military support to deal with their respective regional rivals, South Korea and India. In other instances, such as those of Taiwan, Vietnam, and India, the issues and the threats posed to China are more direct. These states have unresolved territorial or political differences with China and must take into account the possibility that the Chinese Government may attempt to resolve these issues through military means. Thus, the size and central location of China makes almost every Asian state take note of Beijing's military posture and modernization progress. Similarly, China's military power affects the strategic military balance between NATO and the Warsaw Pact countries.

(U) China believes that it must become a politically, economically, and militarily strong power to resist the threats of foreign aggression and humiliation. Beijing views pursuit of a wide-ranging modernization program and an aggressive foreign policy as the best way to become strong. Although China's leaders state that a prolonged period of peace is needed to achieve their modernization goals, they will not avoid conflict at the price of humiliation by foreign nations.

Appendix A

Analysis of Post-1949 Threats to China and Chinese Foreign Policy (U)

1. Sino-Soviet Alliance, 1949-60

(U) In the immediate post-1949 period, Chinese leaders viewed world events as a competition between the "Socialist and imperialist camps," with a neutral "intermediate zone" between. The primary national goal at the time was the consolidation of power and beginning of "Socialist construction." For the first half of the 1950s, the major threat faced by China was the political and military threat from the United States. Given the refusal of the United States to recognize the legitimacy of the People's Republic, China's national goals of domestic development and establishing itself on the international scene made it imperative that China unite with the Soviet Union in the "Socialist camp." Additional threats to Chinese sovereignty, such as a move for independence in Tibet and a continuing concern about resurgent Japanese militarism, added impetus to the need to "lean to one side." The policy became official with the signing in 1950 of the 30-year Sino-Soviet Treaty of Friendship, Alliance, and Mutual Assistance. China perceived a further threat from the United States as Washington increased its support to Taiwan throughout the 1950s. Additionally, when Chinese forces entered the Korean War, the United States and China faced each other across the battlefield as enemies at war.

(U) China received aid and technical assistance from the Soviet Union to assist in its national task of "Socialist construction." By the second half of the 1950s, however, the Sino-Soviet alliance began to show signs of strain. Beijing differed with Moscow over leadership of the Communist movement, ideology, and the correct Socialist path. Moreover, the fundamental Chinese distaste for being so obviously dependent on another nation widened the rift. Chinese leaders perceived a political threat in Nikita Khrushchev's 1956 speech criticizing Stalin and calling for peaceful coexistence with the United States.

(U) In 1957, the United States placed Matador missiles on Taiwan, which the Chinese leadership perceived as a political and military threat. This perception of threat was intensified by Beijing's unsuccessful 1958 attempt to seize several KMT-held offshore islands, an action that only strengthened the US aid commitment to Taiwan. At the same time, Moscow failed to support Beijing in its confrontation with the US. The KMT regime on Taiwan posed a continuing political threat to Chinese sovereignty, a principle on which Beijing had been unwilling to compromise in its ambassadorial-level talks with the United States in Warsaw in 1955. The direct threat from the United States combined with the indirect threat of Soviet-US reconciliation helped create a more stridently anti-US foreign policy stance in China. In 1957 while visiting Moscow, Mao lauded the successful launching of a Soviet ICBM and Sputnik, predicting that the "East wind prevails over the West wind." In 1958, Mao's article attacking the United States as a "paper tiger" was published.

(U) By the end of the decade, Soviet actions confirmed Chinese suspicions that the USSR wanted to keep China in a subordinate position. Soviet proposals in 1958 for establishing a joint naval fleet, with Soviet access to China's naval bases, disillusioned the Chinese. Sino-Soviet relations further

deteriorated when Moscow failed to fully support China in both the 1958 Taiwan Strait Crisis and the Sino-Indian border conflict in 1959. Although Beijing-Moscow relations did not reach their nadir until the late 1960s, by the end of the 1950s, Chinese foreign policy had shifted from the "two camps" theory toward a view of an independent China struggling against Soviet "revisionism" and US "imperialism."

2. Isolation and Radicalism, 1961-69

(U) China continued to perceive political and military threats from the United States throughout the 1960s. US economic and military assistance to Taiwan continued and successive US administrations blocked Beijing's admission to the United Nations and refused diplomatic recognition. Increased US involvement in the Vietnam War verified China's perception of a US military and political threat of encirclement. The Chinese saw the US military threat increase when the bombing of North Vietnam came close to the Sino-Vietnamese border and hit Chinese ships in North Vietnamese harbors. China increased its support for Hanoi but did not enter the conflict directly as in the Korean War.

(U) In 1963, the United States and the Soviet Union took initial steps toward easing the Cold War by signing a partial nuclear test-ban treaty. Chinese perceptions of United States-Soviet global collaboration increased Sino-Soviet discord. By 1964, Mao further refined his theory of "zones" by dividing the world into two "intermediate zones." One zone included the developing nations in Asia, Africa, and Latin America. The other constituted the capitalist nations. Both zones fell between the superpowers who were contending for superiority.

(U) In 1964, China heightened its call for "wars of national liberation" in the intermediate zone of Asia, Africa, and Latin America. Although China offered materiel assistance to insurgent and revolutionary groups in many countries, its limited financial resources meant Chinese support often was only moral or propagandistic in nature. Lin Biao's 1965 essay "Long Live the Victory of People's War" declared China's experience was a model for revolutionary movements all over the world.

(U) Sino-Soviet relations continued to deteriorate throughout the 1960s. In 1966, China broke off party-to-party relations by refusing to attend the 23d CPSU Congress. In addition to perceiving a political threat created by ideological differences with the Soviet Union, China sensed a genuine military threat as incidents along the Sino-Soviet border increased.

(U) Beginning in 1966, the Cultural Revolution brought about the further radicalization of Chinese ideology and extreme domestic disorder. Foreign influences were condemned as corrupt and corrosive, raising to new heights Chinese sensitivity to external threats. Radical foreign policy statements led many countries, which had recognized the PRC, to suspend or break relations, while China, for its part, recalled all but one of its ambassadors.

(U) By the end of the 1960s, China had become very isolated internationally. The Chinese leadership perceived a change in the world balance of power as the United States appeared to be losing the struggle in

Vietnam and was preparing to disengage from its entanglement in Asia. This decline in the US position reduced its potential as a threat to Chinese interests. Further, the Soviet invasion of Czechoslovakia in 1968 (the implementation of the Brezhnev Doctrine), and the armed clashes along the Sino-Soviet border in 1969, led China to view its major threat as coming from Moscow not Washington.

3. Increasing International Involvement, 1970-80

(U) The early 1970s saw the perceived decline of political and military threats to China on several fronts. Beginning in 1970, Beijing sought to redress some of the havoc created by Cultural Revolution radicalism by adopting a more moderate stance and resuming diplomatic relations with other countries. Beijing and Taipei competed for recognition, especially among the newly independent nations of Africa. In 1971, the PRC won the political battle for China's seat in the United Nations. This success greatly reduced the threat of international isolation and led to a modification of China's "national liberation" rhetoric. A more moderate China, which now had access to a formal international forum, called for reforms in the international economic order rather than world revolution.

(U) In 1972, perceived threats from the United States and Japan were attenuated most dramatically when US President Richard Nixon and Japanese Prime Minister Kakuei Tanaka separately visited Beijing. Both the Shanghai Communique and the China-Japan Joint Communique enabled the parties involved to defer temporarily unsettled issues such as Taiwan and the Senkaku Islands in order to achieve a degree of rapprochement.

(U) In the first half of the 1970s, China, displaying a willingness to unite with other countries on the basis of certain principles regardless of these countries social or political systems, began the call for a worldwide antihegemonism united front. In 1974, Deng Xiaoping further explained Mao's "three worlds" theory in a speech at the United Nations. According to this theory, the two superpowers were engaged in irreconcilable contention for world hegemony, causing turbulence and unrest throughout the world. The countries of the Third World (the developing nations of Asia, Africa, and Latin America) and the Second World (the weaker developed nations) must unite and fight for independence and sovereignty against the superpowers' attempts to control them. While criticizing the superpowers as "vainly seeking world hegemony," Chinese statements during the 1970s became increasingly critical of the Soviet Union; by 1977, the USSR was deemed the "most dangerous source of world war."

(U) In spite of increased participation in international affairs, China remained reluctant to allow other countries economic inroads. Chinese sensitivity to issues of foreign dependence and national pride continued to preclude direct foreign investment, foreign loans, and the import of consumer goods until the late 1970s. A law permitting joint ventures was passed in 1979 when the reform-minded leadership of Deng Xiaoping put into effect an "open door" policy in order to meet the national goal of economic modernization. However, even in promoting the use of foreign funds and technology, Chinese statements continued to adhere to the principle of "self-reliance." A quotation from Mao is often cited to support this instance of being firm in principle while flexible in practice: "Relying mainly on our own efforts while making external assistance subsidiary."

[REDACTED] The end of the 1970s saw the military threat to China heightened by the Vietnamese invasion of Kampuchea and increased Soviet assistance to Vietnam following China's 1979 invasion into Vietnam. Rather than "containment" by the United States, China now faced the threat of encirclement by the Soviet Union. By 1979, Chinese assessment of the global situation had changed enough to allow for the normalization of diplomatic relations with the United States. Deng Xiaoping and other Chinese leaders began to speak about forming an anti-Soviet united front with the United States, Japan, and Western Europe. Although neither the United States nor China proposed a formal military alliance along the lines of the 1950 Sino-Soviet agreement, the two sides reportedly began certain forms of strategic cooperation such as a joint surveillance facility in China to monitor Soviet missile tests. In 1980, China joined the West in condemning the Soviet invasion of Afghanistan by breaking off border talks with Moscow and boycotting the Moscow Olympics.

4. Independent Foreign Policy, 1981-84

(U) In 1980, Chinese foreign policy shifted toward a more independent position, but the Chinese perception of threat remained focused on the Soviet Union. For a brief period following US-China normalization, Chinese statements called for an anti-Soviet united front. China refrained from harsh criticism of the United States, but by late 1981, China again emphasized the correctness of Mao's "three worlds" theory and renewed its critical comments toward the United States. China again viewed both superpowers as hegemonic and contending for superiority.

(U) Since 1982, after a period of economic "retrenchment" during which some overly ambitious projects were delayed or cancelled, China again has turned earnestly toward the national goal of economic modernization. With the Sixth Five Year Plan (1981-85) adopted by the National People's Congress at the end of 1982, China declared its goal of quadrupling industrial and agricultural production by the year 2000. Chinese statements repeatedly mention that in order to carry out this massive modernization project, China needs a peaceful international environment.

(U) In the 1980s, China began reiterating its Marxist-Leninist view of a world in turmoil based on the "hegemonist acts of the strong countries humiliating the weak, rich countries oppressing the poor, and big countries bullying the small." In order to safeguard world peace, China claims to oppose acts of hegemony, aggression, and expansion and says it will "never pose any threat to others." The underlying theme in China's foreign policy statements of the early 1980s has been independence--not allying itself exclusively with either superpower.

(U) Chinese statements constantly affirm unity with the Third World, though Beijing denies any aspiration to Third World leadership. Because of its financial limitations, Chinese economic and military assistance to other countries is usually limited and more symbolic than actually constituting an alternative to aid from the superpowers.

(U) In pursuing its independent foreign policy, Beijing has taken steps to develop a more equidistant triangular relationship with Washington and Moscow by resuming limited contact with the Soviet Union and Eastern Europe. In order to protect Chinese sovereignty and freedom of action while modernizing, Beijing

is cultivating friendly relations with all nations, ostensibly on the basis of principles of "peaceful coexistence" regardless of their social or economic differences. Close relations with capitalist Japan are a prime example of Beijing's nondiscriminatory friendship policy. In a complete reversal from the foreign policy of the Cultural Revolution period, China is now seeking to maintain self-reliance and autonomy, not through isolation but by diversifying potential sources of support and aid. China also wishes to avoid the pitfalls of becoming overly dependent on one source of support as it was with the Soviet Union in the 1950s.

(U) China continues to view its major threats as originating from the superpowers. With the United States, the major "obstacle" has been Taiwan. The 1980 election of President Ronald Reagan, who espoused a return to close ties with Taiwan, seemed to threaten the progress US-China relations had achieved. The Taiwan issue came to the fore in 1982 as Beijing vigorously protested Washington's continuing relationship with Taipei. Beijing denounced the US arms sales to Taiwan and the Taiwan Relations Act, even suggesting that US-China relations might be downgraded. The 17 August 1982 Sino-US Joint Communique allowed Beijing to reaffirm the principle of its sovereignty over Taiwan, but differing interpretations of the communique by the two sides have meant that the Taiwan issue still remains an "obstacle" in the US-China relationship. China continues to protest arms sales to Taiwan and any other actions or statements by the United States that are considered violations of Chinese sovereignty. These protests were less strident in late 1983 and early 1984. At that time, the bilateral relationship showed substantial improvement based on changes in US technology transfer policy and high-level reciprocal visits.

(U) Chinese statements cite "obstacles" to improved Sino-Soviet relations reflecting Beijing's continuing perception of a threat of Soviet encirclement: the Soviet invasion of Afghanistan to China's southwest; Soviet assistance to Vietnamese troops occupying Kampuchea on China's southern flank; and Soviet divisions stationed along the expanse of the Sino-Soviet border, including Mongolia, and the deployment of SS-20s in the Far East. Since Moscow claims that these issues involve third parties and are not appropriate for bilateral discussions, no breakthrough has been reached during the series of Sino-Soviet normalization "consultations" resumed in 1982. Despite the lack of accommodation on these matters of principle, Chinese exchanges with the Soviet Union in trade and cultural spheres have shown definite improvement.

(U) China's foreign policy in 1983 and early 1984 is to maintain independence from both the United States and the Soviet Union in statements on bilateral and international issues while simultaneously cultivating improved relations with both superpowers. As long as there are no major changes in Soviet aid to Vietnam or the Soviet occupation of Afghanistan, Soviet troop deployment along the Sino-Soviet border continues, and the state of relations between Washington and Moscow remains the same, China will persist in perceiving the USSR as its major threat. Chinese relations with Washington will be considerably warmer than relations with Moscow, but Beijing will continue to maintain enough distance to protect its image in the eyes of the Third World and to protect Chinese sovereignty from any acts or statements that seem to violate it.

Appendix 8

Chronology of Threats and Chinese Foreign Policy, 1949-84 (U)

Year	Threat	Event	Foreign Policy Shift
1949	Military threat from KMT and French Government in Vietnam	Beijing successfully keeps KMT forces out of Vietnam. Viet Minh launch first successful assault against Saigon forces.	Beijing offers to establish relations with any country willing to recognize the PRC. The "two camps" and "leaning to one side" theories are promoted (as early as 1946 Mao talked about a "vast zone" separating US and USSR); militant rhetoric appears in foreign policy statements. Efforts are made to eliminate Western influence in China.
1950	Political threat	Beijing reasserts suzerainty over Tibet (Xizang); India makes concessions.	Sino-Soviet Friendship Treaty is signed. Anti-US and anti-Western policies come to the fore with Korean War and Taiwan Strait crises.
1950-51	Political and military threat from US	Beijing's invasion of offshore islands is thwarted by United States. United States confirms long-term political and military support to Taiwan.	
1950-53	Military threat from US, UN, and ROK	Protracted conflict in Korea without apparent resolution; long-range presence of Chinese troops (until 1958) and support for DPRK.	China heightens anti-US polemics after being condemned by UN as aggressor in Korea.
1953	Military threat from US and KMT	In his state of the Union address, President Eisenhower says US 7th Fleet will not interfere if KMT attacks the mainland.	Signing of Korean armistice declared by Beijing to be victory for DPRK and Chinese People's Volunteers. Beijing reluctantly agrees to voluntary repatriation of prisoners of war. In the Chinese view, myth of US invincibility is shattered. China's emphasis on coexistence with the non-Communist world emerges.
1954	Political threat from US and Southeast Asian nations	Beijing views formation of SEATO by the United States (with Britain, France, Australia, New Zealand, Philippines, Thailand, and Pakistan as members) as anti-China alliance.	
	Political threat from US	China supports the Communist government in North Vietnam. China's world status is enhanced by its presence at the Geneva conference on Indochina as one of five great powers.	China introduces four-part categorization of global political forces and makes initial effort at eroding bipolar international structure.
1954-55	Military threat from KMT and US	Beijing deters US-backed KMT raids on the mainland and begins shelling of Jinmen. Beijing gains several offshore islands. US reasserts support for KMT regime by signing Mutual Defense Treaty.	Chinese support for Five Principles of Peaceful Coexistence is announced.
1955	Political and military threat from US	Sino-US talks continue in Warsaw. China rejects US demand of "renunciation of force" toward Taiwan.	
1955-56	Political threat from Burma	Limited but significant territorial gains on Sino-Burmese border for China. Beijing's image as strong but magnanimous grows. Closer ties	China attends Asia-Africa Conference in Bandung, Indonesia, and cultivates friendships in the developing world while publicly deemphasizing its

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Year	Threat	Event	Foreign Policy Shift
	Political threat from USSR	develop between Beijing and Rangoon. Khrushchev makes speech at CPSU Party Congress proposing peaceful coexistence with US.	revolutionary objectives. 1956 Chinese view of Soviet Union as a revisionist and great power chauvinist emerges.
1957	Military threat from US and KMT	Matador missiles are placed on Taiwan. Mao visits Moscow after USSR launches its first ICBM and its first artificial satellite, Sputnik.	China's moderate, more flexible foreign policy is abandoned. Mao, in Moscow, makes "East wind prevails over West wind" statement, urging a more active anti-US strategy. Mao provides further explanation of his theory on "intermediate zones" (developing and developed worlds in zone between Socialist and imperialist camps), and calls for reassertion of revolutionary discipline within the Communist Bloc.
1958	Political and military threat from the US and the KMT	Beijing fails to seize the offshore islands of Jinmen and Mazu, which remain under KMT control. US commits itself to the defense of the offshore islands, but limits to US support force KMT to abandon plans to invade the mainland.	Mao's anti-US "paper tiger" tract ("Bandung Spirit" failed to break the Western alliances in developing world) is published. Crisis in the Taiwan Strait results in increased tension in Sino-Soviet relations due to Moscow's reluctance to aid Beijing. "Revisionism" in Communist Bloc is criticized by Beijing.
	Withdrawal from threat situation	Unilateral withdrawal of Chinese troops from Korea.	
	Political threat from Japan (with KMT participation)	Conflict over Chinese trade missions' insistence on flying PRC flag leads to disagreements on fishing and port entrance. Trade loss for both China and Japan. Loss of Chinese prestige among neutral nations. Hardening of Japan's non-recognition policy leads to the sacrifice of previous gains in Sino-Japanese rapprochement.	China embarks on an independent foreign policy course marking an irrevocable break with the bipolar international structure.
1959	Political and military threat from Tibet (Xizang) (India shows interest)	CPLA suppresses Tibetan rebellion; Beijing retains and increases its control over Tibet (Xizang).	Beijing begins dual adversary political struggle against US "imperialism" and Soviet "revisionism" with an anti-Soviet emphasis.
	Political and military threat from India	Temporary, de facto settlement of Sino-Indian border with limited territorial gains for China at cost of derogation of Five Principles of Peaceful Coexistence and loss of Chinese prestige in Third World. Indian disillusionment with Sino-Indian harmony leads to heightened Indian defense preparations.	Onset of Chinese perception of Soviet collaboration with American imperialism against China and renewed fears of an American shift to Asia.
1959-60	Political threat from Indonesia	Although the 1955 Dual Nationality Treaty gave political gains to both China and Indonesia, the Indonesian Government took actions in 1959 curtailing the position of the Chinese population in Indonesia. Forty thousand Chinese nationals subsequently	

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Year	Threat	Event	Foreign Policy Shift
		returned to China to flee anti-Chinese suppression.	
1960	Political threat from USSR	The withdrawal of Soviet economic assistance results in a tactical retreat and loss of Chinese prestige. Pro-Moscow allies show solidarity though Beijing gains Albania as an ally.	
1960-61	Political threat from Laotian rightists who have US support	Geneva Conference accepts China's demand for a neutral Laos preserving Chinese leverage there. Pathet Lao retains control of Laotian highlands, keeping open supply routes to Vietnam from China.	
1960-62			Rift in Sino-Soviet relations results in two camps reemerging as three. Increased flexibility toward developed, non-Communist nations is exhibited.
1962	Political and military threat from US and KMT	Third crisis in Taiwan Strait end in temporary, de facto settlement, without territorial or political gains on either side. US-KMT relations are strained and KMT again is restrained from invasion of the mainland.	
	Political and military threat from India	Sino-Indian border war yields minor territorial gains for China and humiliating defeats for India. Indian defense expenditures are burdened further.	
1963-4	Political and military threat from USSR	CCP-CPSU talks fail. Chinese fail to discourage signing of US-USSR treaty banning atmospheric nuclear tests. Chen Yi accuses the Soviet Union of provoking more than 5,000 border incidents between 1960-65.	Shift from euphemistic polemics to public acrimony between China and the Soviet Union resulting from their ideological dispute. In the Chinese view, the USSR irrevocably casts its lot with US in global collaboration. Theme of African and Latin American "wars of national liberation" are pushed by Zhou Enlai during his tour of Africa in late 1963-early 1964.
1964	Military threat from US and South Vietnam	Direct and immediate US-China confrontation is avoided in the Gulf of Tonkin, providing the basis for increased US intervention in Vietnam.	China recognizes the existence of a polycentric world as Mao further defines his "zone" theory, saying there are two "intermediate zones" (first zone: Asia, Africa, and Latin America; second zone: capitalist nations). Escalation of the Vietnam War is accompanied by China's fervent calls for national liberation movements.
	Lessening of the military threat from nuclear powers	China conducts its first successful nuclear test.	
1965	Indirect military threat from US and South Vietnam	US bombs Hanoi.	China denounces the US bombing of Hanoi in the media and increases support for North Vietnam. China redefines and

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Year	Threat	Event	Foreign Policy Shift
			restrict its criteria of US "aggression." In his essay "Long Live the Victory of People's War," Lin Biao declares Mao's people's war theory has international significance. The call for self-reliance in world revolutions is a prelude to China's forthcoming isolation.
	Indirect political threat from India with US, UN, and USSR as participants	China supports Pakistan in the Kashmir conflict. The 1966 Tashkent Agreement results in a loss of Chinese prestige, but enhancement of Sino-Pakistani relations.	China accuses the Soviet Union of "Khrushchevism without Khrushchev" and banishes the USSR from its united front against imperialism.
	Political threat from Indonesia	The Chinese-supported coup attempt in Indonesia leads to the suppression of the PKI (Indonesian Communist Party). Anti-China and anti-overseas Chinese demonstrations occur. China withdraws technicians from Indonesia and thousands of Chinese-Indonesians return to China.	Sino-Indonesian diplomatic relations are severed in 1967. The Dual Nationality Treaty is abrogated by Indonesia in 1969.
1966-68	Political and military threat from USSR	Heightened tension in the Sino-Soviet conflict. The USSR makes numerous diplomatic protests over Red Guard demonstrations at the Soviet Embassy in Beijing. Both sides expel diplomats and students.	Chinese perceive shift of US global strategy to Asia and further progression of the Soviet Union toward capitalism.
1966-69			Great Proletarian Cultural Revolution results in suspension or break in relations with numerous countries, with all ambassadors recalled to Beijing except one (in Egypt). Heightened contention with both the United States and Soviet Union, and a profound radicalization of Chinese foreign policy.
1967			Chinese perception of a Soviet strategic shift to Asia.
1968	Military threat from USSR	China's first formal charge of Soviet violations of the Chinese border is followed by a Soviet denial. The Soviet invasion of Czechoslovakia heightens Beijing-Moscow tension.	The Soviet invasion of Czechoslovakia makes the USSR an imperialist power in Chinese eyes and signals the deterioration of the unity of the Socialist camp.
1969	Military threat from USSR	Armed clashes along Sino-Soviet border and increased troop levels on both sides. There are mass demonstrations against USSR throughout China and the Chinese Embassy in Moscow is stoned. The Soviet Union calls for the resumption of border talks that have been suspended since 1964.	Significant deterioration of Sino-Soviet relations. Alexi Kosygin meets Zhou Enlai at a planned stopover at Beijing airport en route home from Hanoi. Kosygin and Zhou agree to Sino-Soviet border talks.
1970			China's successful search for countries willing to break with Taipei (such as Italy and Canada), results in greater

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Year	Threat	Event	Foreign Policy Shift
			diplomatic recognition. Beijing begins emerging from isolation and takes on a more active role in international affairs.
1971	Removal of political threat of worldwide isolation	Beijing wins China's seat in UN.	Attenuation of national liberation war in Chinese statements on the Third World. China calls the Soviet Union and United States superpowers.
1972	Removal of political threat from US	President Nixon visits China; Shanghai Communique signed.	In the Chinese view, Nixon's visit acknowledges the bankruptcy of America's China policy. Beijing begins the call for a worldwide antihegemonism united front. Chinese statements depict the Soviets as the principal enemy of the developing world.
	Removal of political and military threat from Japan	Japanese Prime Minister Tanaka visits China. China and Japan sign Joint Communique normalizing relations.	Threat of Japanese militarism removed with closer China-Japan relations.
1973		US-China rapprochement emerges.	Zhou Enlai announces the official party policy of seeking a broad united front against both the superpowers, although gradually focusing on the Soviet Union. In the Chinese view, the likelihood of war between China and the Soviet Union is lessened through US-China rapprochement. China notes conclusive shift of superpower contention to Europe.
1974	Political and military threat from South Vietnam (with Taiwan and Philippines involvement)	Successful PRC naval engagement in the South China Sea ousts South Vietnamese forces from part of the Xisha (Paracel) Islands. Taiwan and the Philippines also issue claims to disputed territory in the Xisha (Paracel) and Nansha (Spratly) Islands. After the fall of the Saigon regime, Hanoi renews its claims to the islands, causing tension between the SRV and China.	China frequently states its claims to the Xisha (Paracel) and Nansha (Spratly) Islands. Mao Zedong announces and Deng Xiaoping elucidates the "three worlds" theory that the world is made up of three parts: the first world (the two superpowers, each seeking world hegemony), the Third World (developing countries, including China), and the second world (developed countries in between the other two).
	Military threat from USSR	A Soviet helicopter crosses the Xinjiang border and is seized by China. Sino-Soviet border talks are suspended. The Soviet helicopter crew is released 2 years later with the Chinese admission that the intrusion was "unintentional."	Chinese suspicion of Soviet intentions continues.
1975	Political and military threat from India	Minor skirmish between Chinese and Indian border guards with casualties only on the Indian side. China reasserts its territorial claims. Dispute in the media later subdued by an agreement to settle their outstanding	China announces the end of the "two camp" system and calls for a broad united front against the Soviet Union, the more dangerous superpower.

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Year	Threat	Event	Foreign Policy Shift
		disputes and normalize relations.	
	Cambodian and Vietnamese victory puts the United States on the defensive.		Major impediment to improved US-China relations removed.
1976-77			Mao's and Zhou's foreign policies reaffirmed under Deng Xiaoping's tutelage in the immediate post-Mao era.
			The USSR is deemed the "most dangerous source of world war" and world war is deemed deferrable through a united front against hegemonism.
1978	Political threat from Japan	An armed Chinese fishing fleet enters Japanese-controlled waters to claim sovereignty over Diaoyu (Senkaku) Islands. Japanese diplomatic protests result in the decision to defer resolution of the issue following Chinese assurances that such an incident will not recur. China-Japan Treaty of Peace and Friendship is signed.	In the Chinese view, Soviet global strategy shifts to outflanking and encircling Europe through its moves in Asia. US is added to the antihegemony united front and Vietnam is deemed a "regional hegemonist." China-Japan Treaty of Peace and Friendship includes statement that neither party will seek hegemony and that both countries oppose hegemonic efforts "by any other country."
	Military threat from USSR	Soviet helicopters, boats, and troops, allegedly in pursuit of dangerous, armed criminals, intrude into Chinese territory. Beijing demands an apology, resulting in Moscow's statement of regret and admission of error.	
1979	Military threat from Vietnam and USSR	China invades Vietnam in retaliation for past border skirmishes and as a countermeasure to the Vietnamese invasion of Kampuchea. Soviet aid to and presence in Vietnam increases.	Diplomatic relations are established between the United States and China.
1980	Political and military threat from USSR	As a consequence of the Soviet invasion and occupation of Afghanistan, China breaks off border talks with the USSR and participates in boycott of Moscow Olympics.	In the Chinese view, Soviet aggression in Afghanistan angers peace-loving countries and peoples of the world.
1981			In China's opinion, "North-South" dialog falters due to US obstinacy. In Chinese view, Reagan's "uncompromising attitude" strengthens US position in the strategic balance between US and the Soviet Union. Beijing declares Mao's "three worlds" theory is still "correct" and renews its criticism of US as an hegemonic superpower.
1982			In the Chinese view, Third World countries achieve closer unity in their struggle against hegemonism and coloni-

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<u>Year</u>	<u>Threat</u>	<u>Event</u>	<u>Foreign Policy Shift</u>
			alism. The Chinese see the Soviets "deeply bogged down" in Afghanistan but showing no signs of retreat in the arms race.
			Beijing continues to emphasize its policy of equidistance between the superpowers. Zhao Ziyang's trip to Africa emphasizes South-South cooperation toward a goal of economic independence. Beijing denies it pursues Third World leadership.
1983	Military threat from Vietnam	Border skirmishes between China and Vietnam include artillery fire but do not escalate to the scale of the 1979 border war.	Chinese pronouncements place US on a near-par with the Soviet Union as a hegemonic superpower.
	Military threat from the USSR	In US-USSR missile talks, the Soviet Union suggests the possible redeployment of SS-20 missiles from Europe to Asia.	Japan and China protest.
	Political threat from Mongolia	Massive expulsions of Chinese nationalists residing in Mongolia after they reportedly refuse resettlement to the Gobi Desert.	China makes indignant protests.
1983-4	-	Changes in US technology transfer policy portend increased US-China trade and possible military cooperation. High-level reciprocal visits exchanged between Beijing and Washington.	US-China relations improve. No major breakthroughs in a series of Sino-Soviet normalization "consultations," though trade and cultural ties expand.

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